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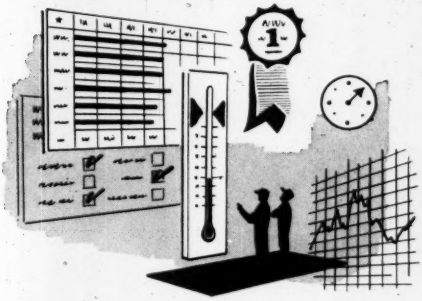
Supervisory Management



Motivation Controls Help Employees Set New Records

Here are some high-visibility methods of motivating your work group.

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As the number of skilled employees increases, supervisors, too, must develop greater skills.

VACATION SCHEDULING

Vacations needn't mean extra expense— or work tie-ups—if you plan them properly.

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By Sir Richard Livingstone

A FUNDAMENTAL PRINCIPLE of education should be to make the pupil realize the meaning of excellence, of the first-rate, and to send him into the world persuaded that it is his business to learn what is first-rate and to pursue it—not only in the job by which he earns his living, but in all the great fields of life and, above all, in living itself.

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Illustrations by Al Eckmann

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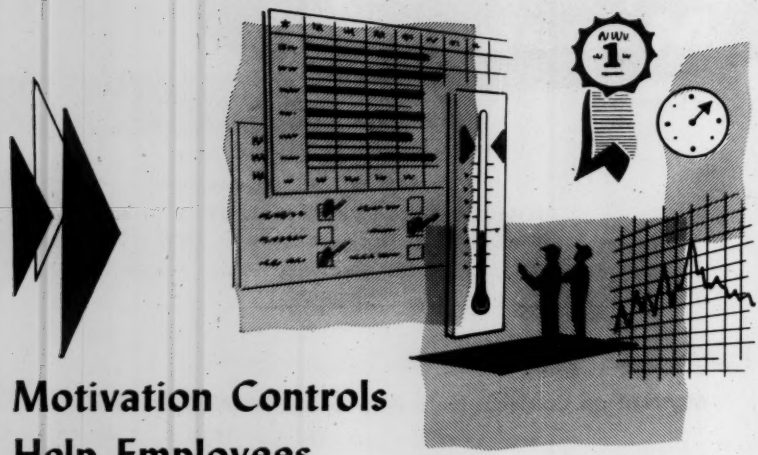


Motivation Controls Help Employees Set New Records

By Max B. Skousen
President, Skousen Financial Management Service, Inc.

Having workers keep score on their own efficiency can be a powerful tool for motivation.

ROBERT OWEN, the famous British social reformer of the late-eighteenth and early-nineteenth centuries, was a keen student of human nature. The story is told of him that, upon arriving quite early one morning at a cotton mill he had recently acquired, he carried with him three spools of colored ribbon: one yellow, one green, and one red. When the workers came to the mill that day, they found a piece of ribbon tied to each machine. Some machines had one color, others another. The place buzzed with curiosity.

After several days, the word got out: The machines with red ribbons were producing at a rate above the mill average; those with green ribbons were producing at a rate just about equal to the mill average; and those with yellow ribbons were producing at a rate below the mill average. No threats or promises were made or implied; the ribbons were there simply to let the people know how they were doing. The effect on the workers, however, was electrifying. Within two months, every ribbon in the mill was red. Production had never been as high, morale as strong.

This fascinating experiment in

group psychology was conducted almost two centuries ago. But in the years since, many managers have failed to recognize its simple, but extremely significant, lesson. The colored ribbons enabled the workers to "keep score" on their efforts, which in turn allowed them to establish objectives for improvement and to compete effectively with one another. Owen had used a simple, economical, but extremely effective *motivation control.* Why did it work so well?

What we work for

Most of us work because we get paid for it, yet none of us works for money alone, because money *alone* has no value. Money is important only to the extent that it buys security, recognition, achievement, and comfort. Lucky is the person who works at a job that gives him not only dollars but also such additional rewards as personal recognition, a sense of achievement, and the opportunity to express himself freely. In addition to wages, this man is getting real "satisfaction pay" for his efforts.

Why supervisors don't give more recognition

Most supervisors are aware of the motivational power of recognition, yet few use it often enough. Just as an engine produces power for an automobile, a workforce produces power for a business enterprise. The automobile engine won't run on gasoline alone; the gasoline must be mixed with oxygen. So, to a workforce, wages may be the basic fuel, but recognition is the oxygen. If we persistently choke down the recognition, we may get a fast start, but it won't be long until our monetary fuel is running out the exhaust pipe without having provided the production for which it was intended.

Evidence of such poor "industrial carburetion" can be seen in the willingness of some workers to quit their jobs if they are offered $2 a week more elsewhere. Since all they are getting for their work is money, money is all they will work for.

Most of us realize this. Why, then, do we hold back on recognition? Some of us say we just don't have enough time; others wonder why it should be necessary to praise a man for doing what he's paid to do. Consider the wife who was determined to get her husband to praise her cooking: After hours of painstaking labor, she finally served him the most perfect feast of his life. When the meal was almost over and he still hadn't said anything, she asked in desperation, "Do you like the dinner, George?" George looked up in amazement and replied, "I'm eating it, ain't I?"

Appreciation and encouragement are powerful sources of work motivation, and failure to provide them costs more than we can imagine. When a person doesn't get a feeling

of accomplishment from his job, he has little incentive to do more than just get by. He finds no challenge in his work. His job—and therefore he, himself—seems unimportant. And many workers do perform rather specialized and limited job operations.

What is the solution?

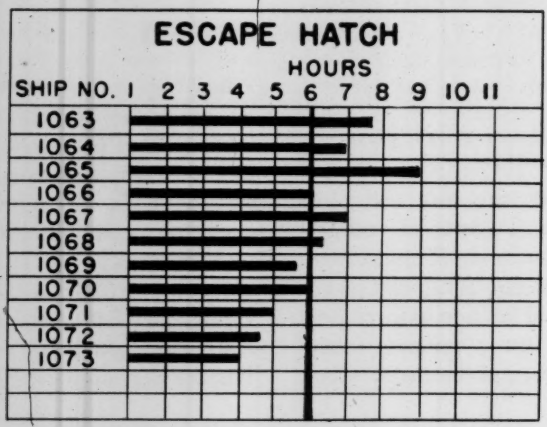
Some supervisors have found it possible to fill the void by developing methods of providing their workers with recognition, encouragement, and stimulation. These methods come in all shapes, sizes, and forms, but most of them can be adequately described as "motivation controls." They can be set up to show how the worker is doing on several aspects of a job at once.

Motivation controls in action

Motivation controls must be set up to fit the individual situation. They are most easily established when the jobs involved are repetitive, since this makes for simplicity in comparing the input and output of individual workers or groups. Let's take a look at a motivation control that was developed for a repetitive production job in an aircraft plant.

Some supervisors in the plant, recognizing that their workers needed some sort of scorekeeping device by which to measure their individual efficiency, developed a simple but highly effective motivation control. With the help of time standards, the jobs under each group supervisor were divided so that each worker was responsible for a certain part of the work on each aircraft or "ship" (for example, the escape hatch). Each worker recorded the amount of time it took him to complete his job on each ship, and this information was entered on the worker's personal production chart.

The chart below is a sample. The



scale across the top shows the amount of time put in on each ship. The ship numbers are posted on each line. The red vertical line represents the amount of time budgeted for the job. When a worker used more than the budgeted time to complete his portion of the work on a ship, the excess time was recorded by extending the bars in red.

These bar charts were extremely effective. Within nine months, man-hours per ship had been reduced by 25 to 40 per cent on almost every job.

It should be emphasized that the charts were *not* used as a basis for penalties or reproaches. If a worker used more than the budgeted time to complete his work on a ship, the charts let the supervisor know that help was needed. Instead of using the charts negatively, as a threat, the supervisors used them positively, as a basis for encouragement and assistance.

The workers began to set record after record. Each man found himself competing against his own previous record. Anything that tended to slow down production became as important to the workers as it was to the supervisor.

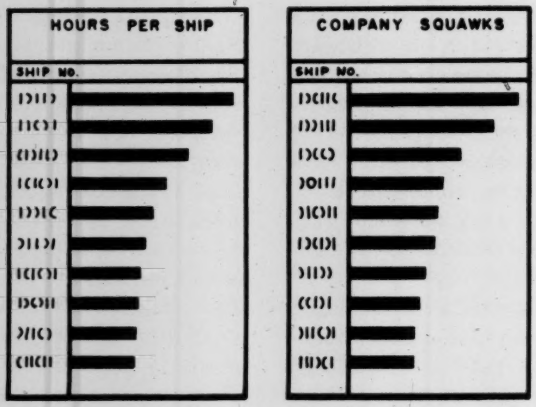
Nonrepetitive jobs

But what about jobs that are not repetitive, and for which there are no clear standards of performance? Let's take a look at a motivation control that was developed for use on the flight line at the same aircraft company.

The final rework group in this plant did not do repetitive work like that performed by the production-line workers. Although certain functions had to be performed on every ship, the condition of some ships required more than twice as much work as others. Besides, the shakedown operation was a group task that could not be broken down into specific individual jobs. The supervisor decided to set up bar charts to show the man-hours put in on each ship, the number of company complaints on each ship, and the number of Air Force complaints on each ship. (See top of page 6 for sample charts.)

Before this motivation control was established, man-hours of work per ship had been ranging from 200 to 400, with the average slightly above 250. When the charts were posted, the mechanics began to take a great interest in the comparison of man-hours of work per ship. Before long, other groups, like the inspection and production-control people, also became interested and began to offer suggestions.

Within a month, the average time to complete the shakedown and rework operation had been reduced to 132 man-hours. Two weeks later, a ship was completed in 92 man-hours, and within another two weeks, the record was 72 man-hours. Within two months after this motivation control was first used, the average number of man-hours of rework per ship had been cut from 250 to less than 150, saving more than a



hundred hours per ship. Air Force squawks, which had always been negligible, remained low.

Why motivation controls work

Like the story of Robert Owen and the colored ribbons, these two cases demonstrate how easily a supervisor can develop a sense of the "spirit of the game" among the people in his department. The high level of productivity these supervisors achieved was not the result of threats, promises, or demands; it was the result of a simple device for letting everyone know where he stood. With such a device, the supervisor doesn't have to worry about production when he's not there: He knows that the workers will be as interested in maintaining a high level of productivity as he is.

It has been said that people produce more when they know:

1. What they are supposed to do.
2. What authority they have.
3. What their relationships are to other people in the organization.
4. What specific results constitute a job well done.
5. What they are doing exceptionally well.
6. Where they are falling short.
7. What they can do to improve unsatisfactory results.
8. That there are appropriate rewards for work done exceptionally well.
9. That what they are doing and thinking is valuable.
10. That the boss has a deep interest in and concern for them.
11. That the boss truly wants them to succeed and progress.

Visible recognition

Motivation controls are effective primarily because they help the supervisor provide much of the necessary knowledge for his workers. A brief glance at this list of what

workers want and need to know will suggest how even the simplest motivation control encourages increased efficiency and productivity. When the worker knows exactly what is expected of him, he begins to feel a greater responsibility for his work, and at the same time becomes more conscious of his authority. He also begins to understand how the efforts of others contribute to his own goals, and vice versa.

In the two cases of the aircraft plant, production had been only fair—far below potential—before the use of the bar graphs, simply because the supervisors had been unable to provide challenge and recognition for their workers. As the bar graphs grew in use, they also grew in usefulness. It soon became easy for everyone, including the supervisor, to see what constituted a job well done.

When the workers did exceptionally well, or when they fell short, everyone knew it. The charts provided concrete evidence to the workers that their supervisor *was* interested in what they were doing —and especially in their improvement. There was no question about getting appropriate recognition for a job well done, because the charts on the wall were the center of everyone's attention.

Ten guides to success

Motivation controls work best when some simple rules are observed. Below are ten basic requirements for the establishment and use of effective controls.

Putting the program across

1. *Get everybody into the act.* Most people tend to resent rules and restrictions imposed from above. Motivation controls usually work best when everyone involved has had a say in their development. One of the best ways to get workers into the act is an open-forum discussion of work problems and suggestions for improvement. Or have each worker submit his suggestions in writing. It has been found that people usually establish tighter controls on their own activity than they would cheerfully accept from others.

2. *Sell the program to those affected by it.* Cooperative effort is always better than coercion. Cooperation can be expected, however, only if the program is actively *sold* to the people involved before it is put into action. This, of course, means that the reasons for the program must be carefully explained. The people who will be subject to the controls should understand why they are necessary and exactly what benefits they will bring. Too often, supervisors impose controls without selling them first—and then wonder why they achieve only minimal compliance. When people truly understand why, however, enthusiastic cooperation usually results.

The group

3. *Apply controls to the smallest possible groups.* Individuals are strongly motivated only when they feel that what they are doing is significant. A lineman plays hard on the football team because he understands exactly how critical his position is. In general, the smaller the group, the easier it is for the individual to understand the significance of his contribution. It is many times more difficult to achieve a high degree of motivation among a group of a thousand than among a group of ten. The strongest motivation is achieved when individual recognition is combined with team or group recognition, and many kinds of motivation controls will provide this dual recognition.

Delegating decisions

4. *Delegate as much responsibility and authority as possible.* There is little point in getting people enthusiastic about improving their productivity if we discourage them from actually doing anything about it. We must demonstrate our respect for and confidence in them by letting them put their own ideas to work. Delegation means more than sending people on errands; it means giving people the right to decide how things should be done and the responsibility for putting decisions into effect.

Visual aids

5. *Provide a means of visual comparison.* Cold figures come to life when they are portrayed graphically. There are many ways to show comparative performance data graphically, so that everyone can see at a glance the true significance of differences or changes:

- Make the display as simple as possible, so that it can be easily understood.
- If several factors are involved, use a separate chart to show each single factor or group of factors.
- All visual material should be neat and well prepared.
- Keep information up to date.
- Place the display where it will receive proper attention.

Here are some visual-control media in common use:

- Bar charts, in which vertical or horizontal bars of different lengths represent quantities or percentages (for example, the charts on pages 4 and 6).
- Target charts—for example, the thermometer type—which show cumulative progress toward a particular goal.
- Trend or line charts, in which data are plotted against a scale and joined by lines to show a general trend.
- Completion charts, which show filled-in squares as particular goals are achieved.
- Check lists, which show particular goals or tasks in the order of their desired accomplishment. (Each is checked off when that part of the over-all job is completed.)

Maintaining the program

6. *Use a control system that is easy to maintain.* One of the most difficult problems in developing a control system is to find a simple and economical way to get the information on which the control is based. If an elaborate data-gathering procedure is necessary, the paperwork burden may be worse than the original problem. Sometimes controls cost more to maintain than any saving they could effect.

Whenever the paperwork in a control system is elaborate and complex, the supervisor should take another look at his problem and try to figure out a better system. Would the control work just as well on a random-sampling basis? Is the information already available in some other form? Would it be possible to have the employees furnish the information themselves?

7. *Make the control system self-administering, if possible.* When workers are asked to help develop a control system, they may offer to administer the system themselves. Self-administered controls are usually effective, for the workers want to see their own project succeed. As a rule, the supervisor should participate to some extent, so that the group realizes that he is vitally interested in its success. But, if it is practical, the workers should keep their own records and fill in the control chart.

One supervisor with a housekeeping problem had his men take turns being housekeeping judges, with extremely satisfactory results.

8. *Give the control system constant attention.* A motivation control will get as much attention from the workers as it gets from their supervisor. Many extremely effective controls have become meaningless because the workers felt that the boss didn't really care about the results. The supervisor should constantly search for new methods of bringing the results of the control to the attention of his people. This can be done through group meetings, departmental memos, letters to his boss that are also circulated to the group, or special notices on the bulletin board.

When the workers see that their supervisor's boss is interested in their results and proud of their achievements, their own interest and pride are bound to increase.

Visual Controls

1. Bar charts
2. Target charts
3. Trend or line charts
4. Completion charts, with filled-in squares
5. Check lists

Positive motivation

9. *Use the controls as positive, not negative, instruments of motivation.* Controls work best when the emphasis is on recognition and praise for those doing the best work. If the workers feel that the control

10 GUIDES TO SUCCESSFUL CONTROLS

1. Encourage group participation in developing controls.
2. Sell the program to the work group.
3. Work with small groups.
4. Delegate responsibility *and* authority for the program.
5. Use visual aids.
6. Use simple controls, requiring little paperwork.
7. Have workers administer the program themselves.
8. Give the system continuous attention and interest.
9. Use the system as a positive means of motivation.
10. Follow up; use the system only as long as it is useful.

information is going to be used as a basis for criticism or blame, they will try to find ways to justify poor performance or "rigging" the information.

It is not easy to develop a control system that is fair in every respect, for many factors that affect an individual's performance are beyond his control. If a person is blamed or criticized because of these factors, he will feel justified resentment. The supervisor, therefore, should make every effort to operate the control system fairly, without criticism or blame.

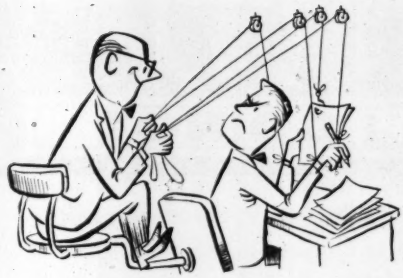
Following through

10. *Follow up.* A control should be used only as long as it is needed. As soon as the need has been fulfilled, the control should be either modified or abandoned entirely. If it is believed that the problem would recur if the control were abandoned, it might be reduced to a skeleton control, which would show performance trends but not require full reporting.

As long as the control is needed and in use, however, there should be constant and systematic on-the-job follow-up. Improved methods, increased accuracy, more efficient use of time, preventive problem solving, and many other sources of increased productivity can result from the supervisor's close and continuing interest in the workers' efforts to improve. ◆

THE TRUTH may lie between two extremes, but it assuredly does not lie halfway between right and wrong.

—EDMUND S. MORGAN
(Professor of History, Yale University)



DELEGATION:
Don't be a
BACK-SEAT DRIVER

IF YOU GIVE A MAN a job to do, let him do it. One of a manager's hardest jobs is to delegate authority.

Industry needs managers at all levels who can make competent decisions. We won't get them until we learn to let subordinates make their own decisions. We can protect them from obvious mistakes, but if we anticipate every error, they'll never learn.

Probably everyone has had a boss at one time or another who was a "back-seat driver." For example, there's the manager who:

. . . gives you your assignment, then proceeds to tell you precisely how to carry it out. If necessary, he'll gladly do it for you. He expects you to do it exactly as he would. Believes there are only two ways to do anything: his way and the wrong way.

. . . is interested only in your success, can't bear to have you make a mistake that might hurt your career. Saves you three or four times daily from your own folly. When you hook into a big one, he pushes you aside with "You'd better let me handle this one, son."

. . . doesn't tell you how to do your job, but when you finish, does it as it should have been done in the first place. Can't read a report without a red pencil.

Delegation means letting someone else make decisions for which you are responsible. That's not easy. It means taking a chance, but mistakes often teach a great deal more than successes.

You can't hold a man truly accountable for a job unless you delegate to him—and let him use with minimum interference—enough authority to do the job the way *he* thinks it can be done best. ♦

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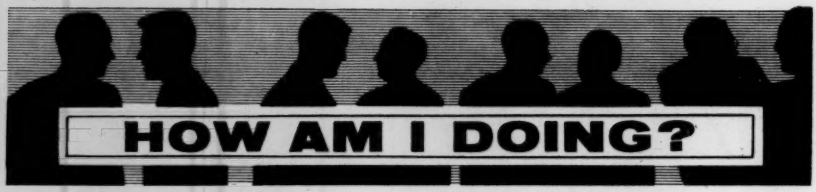


Part 2:

The Interview

By D. E. Balch *for General Mills, with adaptations by* **Henriette F. Davidge,** *Specialist, Employee Communications, General Engineering Laboratory, General Electric Company*

IN LAST MONTH'S SM, we discussed planning for "How-Am-I-Doing" talks—reminding each subordinate to prepare for the interview, reviewing his record, deciding on goals, planning what to say and how to say it, and checking your own attitude. Now you're ready for the interview itself.

The Setting

Provide a private, comfortable place.

Allow ample time.

Arrange not to be interrupted.

Make the man comfortable. You can relieve any nervousness he may have if your manner is leisurely.

Then explain the purpose of the interview and assure him that you want to talk things over with him and get his views.

Secrets of Success

The secret of a successful interview lies in:

—putting yourself in the man's place.

—being able to see things from *his point of view*.

—being interested in finding out *what* he thinks, and understanding *why* he thinks it, instead of jumping to conclusions and assuming you understand.

—getting him to express his thoughts and ideas.

—resisting the temptation to take the center of the stage yourself and to let the conversation become merely a vehicle for your own ideas.

—letting him talk.

—listening while he talks.

Keep These Points in Mind

Talk about him, not you.

Avoid the temptation to tell him about your experiences and successes. Such talk will detract from his problem and won't help solve it.

Talk about specifics, not generalities.

Qualify generalities with specific points and occurrences.

Be sure that different interpretations of words and ideas are not causing differences of opinion.

Carefully compare the results of his performance with the targets previously agreed upon.

Give full credit for accomplishments and work done well. This is the easiest way to begin to compare results against expectations.

Review goals not accomplished or areas in which improvement is needed. Explore why and how. It's easy to tell a man about good work; but if he needs to improve, it's especially important *how* you tell him.

(Continued on next page)

(Keep These Points in Mind—Continued)

The man's appraisal, level, and salary should be carefully explained during the interview.

Don't become emotionally involved.

Remain calm, unaffected, and untouched by the position he takes, and even by any anger or defensiveness he displays. Resenting what he says, defending yourself against him, or "putting him in his place" gets you emotionally involved, and may stop him from expressing his feelings.

Notice what he doesn't say.

Watch for signs of his feelings, attitudes, and motives. There's as much to be learned from what he doesn't say as from what he does say.

Be a good listener.

You will help most by just listening, while the other person puts his feelings into words.

Encourage Him to Talk

Pause after you speak—give him time to think. The interview shouldn't be rushed.

Invite him to express himself by asking:

"What is your opinion?"

"Do you see any problems in what I have proposed?"

"Has anything been overlooked?"

Listen attentively so he realizes that you are interested in every word he says.

Nod or use other neutral responses: "I see," "Uh-huh," "I understand," "I get what you mean." This will keep him talking.

Ask him to explain further—but never give him the feeling that you are cross-examining him. Avoid leading or loaded questions like, "Don't you think you should. . . ?"

(Continued on next page)

(Encourage Him to Talk—Continued)

Stay away from questions that can be answered by "yes" or "no." Ask questions that will keep him talking. Rely heavily on Who? Why? What? Where? When? How?

Repeat or rephrase something he has said. For example, he might say, "I don't know what's the matter with this place. It used to be different." A response like "It used to be different?" will encourage him to go on and explain his feelings.

Turn his questions back to him to find out what he thinks. Ask: "What do you think?" or "What do you mean?"

Summarize what he has said. Then give him time to make corrections or additions.

Famous Last Words

Here's a list of sure-fire conversation stoppers and barriers to productive interviews. Be sure to avoid them:

"If I were you. . . ." (The "Big I")
"What you say just isn't so."
"This is what you are going to do."
"If you did this. . . ," or even worse,
"If you did what Jim does. . . ."
"Fine, but . . ." "Yes, but. . . ."

Keep these points in mind:

- ► Avoid arguing.
- ► Avoid solving problems the man can solve himself.
- ► Avoid admonishing.
- ► Avoid displaying authority.
- ► Avoid getting ruffled by the other person's response.

Prepare for Disagreement

Don't expect your suggestions always to be received with ready agreement.

Don't try too hard to get agreement the first time.

Arguments are likely to silence the man, but not convince him.

Find out why he doesn't agree instead of trying to prove he is wrong.

It's not what you say, but what he accepts, that will bring about improvement in him.

Check the reliability of your own facts, and of what he says. Be willing to change your conclusions if the facts justify changing them.

People change constantly, so why shouldn't opinions about them also change?

Set Up a Target

Be sure to revise the job description when necessary, to bring it up to date. Then prepare a new target program.

This program should include:

► A list of the principal accomplishments to be made during the coming year.

► Standards of performance to be met.

► Major improvements to be made.

The items in the target program should be specific. For example, they should definitely state:

—the *amount of cost reduction* to be accomplished.
—the *amount of increased output* to be realized.
—the *percentage* of development work to be accomplished.

(Continued on next page)

(Set Up A Target—Continued)

—*how much reduction* in employee turnover is contemplated.

—*what new programs* or methods are contemplated.

—*just how greater efficiency* or effectiveness is to be attained.

—*what the priorities* are.

—*when each item* should be completed.

This will help you get things done. When both manager and subordinate have their sights set alike, there will be agreement on what is required for satisfactory performance, and what it takes to exceed merely satisfactory standards.

The Self-Improvement Program

The self-improvement program for the year ahead ought to be specific, too. Hopes and generalities aren't good enough.

It shouldn't include a lot of items, either, because it's better to concentrate on just a few and really accomplish them.

The program for improvement should specify:

What books are to be read.
What courses of study are to be taken.
What meetings are to be attended.
What plant visits or trips are to be made.
What new experience or responsibility is to be undertaken.
What other steps are to be taken.
What help is required, and from whom (other than the manager).

What Else Is on His Mind?

The next step is to give the man a chance to discuss anything else he has on his mind.

Let him talk off the record if he wants to.

Ask for his ideas and suggestions, and let him know they are wanted.

Let him know that he can discuss any questions that are on his mind freely and to his satisfaction.

This is the time, too, to talk about his future plans. If they are realistic, discuss how they can be fulfilled. Discuss also what he is doing and what he needs to do to qualify himself, and what help can be given him.

If his aims are not realistic, help him see why.

Be sure to avoid promises. You can't read the future, and you're taking a tremendous risk if you try. At the same time, be cautious about telling a person his goals are impossible. He may prove you wrong.

Encourage any sincere effort to improve.

Ask These Questions

1. Are your duties and responsibilities adequately defined?
2. Do you have enough challenging work?
3. Do you feel your work and ability are appreciated?
4. Do you feel you get the backing and support you need?
5. Are you informed and consulted when you should be?
6. Do you have access to your supervisor to talk things over freely?
7. Do you have the authority and opportunity to exercise initiative?
8. Do you feel your opportunities are adequate?
9. What could be done to help you do a better job?
10. What kind of place, in general, do you feel this is to work?
11. What other things that you like or dislike about your job would you like to convey to your manager?
12. What are your aims and goals? How do you propose to acquire the knowledge and human-relations skills needed to reach your goals?

How Can I Help Him More?

These "How-Am-I-Doing" talks help a manager and his subordinates to set common objectives and to support each other in reaching them. The discussion, then, should not be confined entirely to the man's improvement. The manager should encourage his men to suggest what *he* could do to make it easier for them to get better results. Actually, a man's effectiveness is often greatly influenced by:

—What his manager will let him do.

—How the man is regarded and supported.

—What help he is given.

(How Can I Help Him More?—Continued)

The manager might change or improve his:

—availability
—understanding
—organization
—delegation
—guidance
—instruction
—encouragement.

The manager must be willing to discuss these points and make a conscientious effort to change when change would be helpful.

Closing the Interview

Review the points you've discussed and agreed on.

Encourage the man to put them in his own words.

Try to leave the man with more will to work than he had.

Assure him of your willingness to talk further if he has questions or suggestions later.

Close on a friendly, encouraging note.

Follow-Through

After the talk, the manager should see that any agreed-upon revisions in the job description are made official. He should insert changes on all copies of the description.

Any changes agreed on in the man's target program of job objectives, work standards, and self-improvement goals should be written up promptly before any points are forgotten.

It might reinforce the effect of the talk to follow it up with a casual visit, stopping at the man's desk or job during the next few days.

It is also important, of course, during the year, to follow the progress the man is making toward reaching his work objectives, standards, and self-improvement program.

Part 3 of *How Am I Doing?* coming next month, will discuss special situations in appraisal interviews.

tomorrow's demands on SUPERVISION

By Frederick Harbison

Director, Industrial Relations Section
Princeton University

Get set for a challenge to your highest skills.

INNOVATION IN PRODUCTS, processes, and procedures is bringing more and more highly skilled personnel into business and industry. What does this mean to the supervisor? It means that he, like managers at all levels, will have to do some innovating of his own—in his ideas about supervision—if he is to make the most effective use of these talents. Concepts that have worked successfully with relatively unskilled employees may not be right for handling trained people. More emphasis will have to be placed on individual differences among employees and less on similarities.

The trend toward a greater percentage of highly trained people in the workforce has been seen for the past 50 years, but since the end of World War II it has picked up speed. Between 1947 and 1957, for example, while there was only about a 1 per cent increase in production workers, the employment of nonproduction workers rose by some 55 per cent. From 1955 to 1957, there

was actually a decrease in the numbers of production workers, as compared with a 10 per cent increase in nonproduction workers. In fact, 90 per cent of the increase in manufacturing employment during the years 1947-1957 was accounted for by nonproduction workers.

Why the increase?

Just why has there been this tremendous increase in executive, staff, professional, and technical personnel? Some writers have pointed to it as proof of "Parkinson's Law," according to which managers recruit more managers, regardless of the actual need for them. Others have taken the view that the multiplicity of reports now required by government agencies has been mainly responsible. The increase has also been attributed to automation, the increased investment in research and development, the quickened pace of process and product innovations, company reorganizations, new administrative practices, and the high tax rates on profits.

The Industrial Relations Section at Princeton University recently made a study to find the answer. We began by obtaining employment statistics for the years 1947 and 1955 from 50 companies in a wide range of manufacturing and nonmanufacturing industries. Though the sample was not statistically representative of U.S. industry as a whole, it turned out that the experience of the participating companies corresponded fairly well with what we know of national trends.

We used the statistics as a frame of reference for interviews with representatives of 47 of the 50 companies studied. In these interviews, we tried to find out what factors accounted for changes, or the absence of changes, in each firm's occupational structure.

What we learned

Here is what we learned:

1. *The increased proportion of highly trained employees in the companies studied was primarily the result of innovation.*

There were two types: technological innovation (the introduction of new products or processes), and organizational innovation (the creation of new administrative units and new systems of management). Both had required more executive, administrative, and professional personnel in the companies studied. Technological innovation had also led to the employment of fewer production workers.

The automation of plant operations and office procedures provided especially striking examples of how innovation influenced the make-up of the workforce. Automation nearly always led to substituting both capital and high-talent manpower for unskilled and semiskilled employees.

2. *In general, the more innovation, the more skilled people were employed.*

The companies showing the great-

est increases in nonproduction workers as a proportion of their total employment were invariably those that had made the most spectacular or far-reaching changes in products, processes, and organization.

3. Companies that did the innovating themselves showed a much sharper jump in the use of high-talent manpower than those that relied primarily on outside consultants or equipment suppliers.

For example, a computer manufacturer required vastly more high-talent manpower than companies that used computers made by other companies.

4. Innovation has changed the occupational structure of entire industries.

Between 1947 and 1955, the ratio of nonproduction workers rose sharply in the aircraft, electronics, chemical, ordnance, and petroleum companies studied—all of them industries that had themselves developed innovations for their own use or for others. On the other hand, the proportion of highly skilled employees increased less rapidly in the textile, apparel, lumber, railroad, and utility industries, which generally adopted innovations developed by others.

5. Innovation tends to spawn more innovation.

The study showed that product and process innovation by one company in an industry was a spur to innovation among its competitors. The growth of research and development was one example of this tendency.

6. No evidence was found to support the "Parkinson's-Law" explanation.

Bureaucratic "empire building" may have been at work in some of the companies studied, particularly during periods of high prosperity. Nevertheless, the study indicated that in comparison with other factors, it played a very minor part in the rising percentage of nonproduction employees.

7. Increases in company size or in the number of reports required by the government were also found to be mistaken explanations.

WHAT THE STUDY SHOWED

Here are some of the conclusions that Princeton University's Industrial Relations Section drew from its study of 50 companies.

1. Innovation caused an increase in the number of highly trained people in the workforce.

2. The more innovation, the more skilled people were employed.

3. Companies that did their own innovating had a greater increase in high-talent manpower than those who used other companies' developments.

4. Innovation has changed the occupational structure of entire industries.

5. Innovation creates more innovation.

Companies that grew in size but did not innovate seldom increased their percentage of executive, professional, and related personnel. Reports for government agencies were mentioned as a reason for more skilled employees only by public utilities and railroads—the only companies subject to direct government regulation. Companies in other industries said that most of the information required by government agencies was also necessary for their own use.

From this we concluded that the shift to greater use of high-talent manpower in the companies studied was primarily the result of progress rather than bureaucratic expansion or unwarranted increases in overhead.

What will it mean?

Assuming that the rate of innovation in industry will be at least as high over the next twenty years as it has been during the past ten, the study's findings have important implications for every forward-looking manager:

1. *Most companies have neglected to estimate accurately their future manpower requirements.*

The majority of the companies we studied had made no serious attempt to estimate what kinds of workers would make up their future labor forces.

Moreover, the few companies that had made estimates had based them on the mistaken assumption that their present ratios would remain unchanged.

2. *The more extensive employment of professional and managerial manpower increases fixed and overhead costs—and calls for more skill in supervision.*

Almost all the companies we studied were concerned with the problem of mounting overhead. In some, the total paid to the salaried-worker group was already greater than the total for the hourly paid or piecework group.

The trend here is clear. In most companies the sharpest increases in total labor costs are undoubtedly those represented by managerial and professional personnel. The increase in the employment of professional, managerial, and other salaried employees in manufacturing between 1947 and 1957 caused their total salaries to rise from one quarter of manufacturing-labor costs in 1947 to about a third in 1957.

4. *Competition for personnel in the labor market is undergoing a fundamental change.*

Companies are experiencing little or no difficulty in hiring manual workers and less highly skilled clerical workers. But they are facing stiff competition in hiring engineers, and even sharper competition in finding creative research scientists.

5. *Some long-standing notions of wage-and-salary policy must be revised.*

In order to attract highly skilled

What Innovation Will Mean To You

Here's a picture of some of the challenges innovation will present to supervisors over the next 20 years:

- More skill in supervision will be required to meet the needs of creative and professional personnel.
- Supervisors will have to know how to stimulate creativity in highly talented people.
- Flexibility will replace consistency in a manager's approach to the "uncommon man." Supervisors will have to develop skills in objective discrimination and differential treatment of creative, highly individual, employees.
- Managers will need broader, more thorough, training. Experience alone will not be enough; knowledge of technology —especially of mathematics—will be necessary.
- Long-range planning and the "broad view" will be increasingly important.

employees in a competitive market, companies will have to base compensation on the capacities of individuals rather than upon categorical job descriptions.

6. The growing numbers of highly trained employees will require new kinds of supervision.

Developing a climate that will inspire highly talented people to creative efforts is more difficult than stimulating manual workers to be more productive. In dealing with high-talent manpower, we will need entirely different ideas about incentives, the organization of work, and relationships between managers and their subordinates.

Traditionally, companies have tried to establish policies that insure equal treatment of the various kinds of manual and clerical employees. Conformity and consistency have been the goal. But the engineer of today, the scientist, the professional worker, represent the *uncommon* man. To work with them effectively, supervisors must achieve skill in objective discrimination and differential treatment. For example, a more flexible retirement policy may have to be substituted for the conventional policy that requires all employees to stop working at an arbitrary age. It will not be easy to apply such flexible policies, because to most people differential treatment means unfair discrimination.

7. Managers will need broader and more thorough training.

With more and more trained employees coming into industry, managers will have to expand their knowledge. Experience alone will

not teach a manager what he must know to handle his job.

Already a new "technology of information," created by electronic data processing and the use of statistical and mathematical methods in decision making, is beginning to take hold in American business. As one executive observed, "The manager of tomorrow must be almost as fluent in the language of mathematics as he is in English." At the same time, he must be far more than a mathematician.

8. *All along the line, greater emphasis must be placed on forward-looking manpower planning.*

The far-sighted manager will appraise his company's future development not only in terms of markets, processes, and financial resources, but also in terms of the human resources that will be needed. Of all economic resources, high-talent manpower takes longest to develop and hence demands the most careful consideration in planning.

A clear challenge

The findings of the Princeton study present a clear challenge. To keep pace with innovation in industry, there will have to be innovation in supervisory methods—so that the growing numbers of highly skilled employees can be managed according to their individual needs and potentialities. ◆

"Nothing is misplaced, Mr. Brown. That 'M' stands for 'Mine.'"

PIONEERS IN MANAGEMENT

Modern concepts of management have deep roots and an honorable ancestry. As far back as 1813, Robert Owen exhorted his fellow manufacturers—by and large a group of hard taskmasters—to recognize that the people in their factories were at least as important as the machinery.

These samples of the writings of Owen and of Mary Parker Follett have been taken from Classics in Management, *a new book published by the American Management Association.*

TAKE CARE OF THE LIVING MACHINERY

By Robert Owen *(1771-1858)*

IF DUE CARE as to the state of your inanimate machines can produce beneficial results, what may not be expected if you devote equal attention to your vital machines, which are far more wonderfully constructed?

When you shall acquire a right knowledge of these, of their curious mechanism, of their self-adjusting powers; when the proper main spring shall be applied to their varied movements, you will become conscious of their real value, and you will be readily induced to turn your thoughts more frequently from your inanimate to your living machines; you will discover that the latter may be easily trained and directed to procure a large increase

of pecuniary gain, while you may also derive from them high and substantial gratification. . . .

I have expended much time and capital upon improvements of the living machinery; and it will soon appear that the time and money so expended in the manufactory at New Lanark, even while such improvements are in progress only, and but half their beneficial effects attained, are now producing a return exceeding 50 per cent, and will shortly create profits equal to cent. per cent. on the original capital expended in them.

Indeed, after experience of the beneficial effects, from due care and attention to the mechanical implements, it became easy to a reflecting mind to conclude at once that at least equal advantages would arise from the application of similar care and attention to the living instruments. And when it was perceived that inanimate mechanism was greatly improved by being made firm and substantial; that it was the essence of economy to keep it neat, clean, regularly supplied with the best substance to prevent unnecessary friction, and, by proper provision for the purpose, to preserve it in good repair, it was natural to conclude that the more delicate, complex, living mechanism would be equally improved by being trained to strength and activity; and that it would also prove true economy to keep it neat and clean; to treat it with kindness, that its mental movements might not experience too much irritating friction; to endeavour by every means to make it more perfect; to supply it regularly with a sufficient quantity of wholesome food and other necessaries of life, that the body might be preserved from being out of repair, or falling prematurely to decay.

These anticipations are proved by experience to be just.

This excerpt is from Owen's *Address to the Superintendants of Manufactories,* first published in 1813. Owen was a successful textile manufacturer in Scotland who was able to show in his own factories that it paid to consider people as well as machinery. Although some of his practices would be considered paternalistic today, he was far ahead of his time in recognizing the relationship of employees' performance to conditions both on and off the job.

For a further example of Owen's ideas on motivation, see *Motivation Controls Help Employees Set New Records,* on page 2.

THE THIRD WAY

By Mary Parker Follett *(1868-1933)*

THERE ARE THREE WAYS of settling differences: by domination, by compromise, or by integration. Domination, obviously, is a victory of one side over the other. This is not usually successful in the long run, for the side that is defeated will simply wait for its chance to dominate. The second way, that of compromise, we understand well, for that is the way we settle most of our controversies—each side gives up a little in order to have peace.

Both these ways are unsatisfactory. In dominating, only one side gets what it wants; in compromise, neither side gets what it wants. We are continually hearing compromise praised. That is the accepted, the approved, way of ending controversy, yet no one really wants to compromise, because that means giving up part of what he wants. Is there any other way of dealing with difference? . . .

There is a way beginning now to be recognized at least, and sometimes followed: the way of integration. . . . Here is an illustration. A Dairymen's Cooperative League almost went to pieces on the question of precedence in unloading cans at a creamery platform. The creamery was on the side of a hill. The men who came down the hill thought they should not be asked to wait on a downgrade and that therefore they should unload first. The men who came up the hill thought equally that they should unload first. They had a hot row about it, so hot that it almost broke up the League. Both sides, you see, were thinking of just those two possibilities: Should the uphillers or downhillers unload first? But then an outsider suggested that the position of the platform should be changed so that uphillers and downhillers could unload at the same time. This suggestion was accepted by both sides. . . . They had found a third way. Integration involves invention, the finding of the third way.

Mary P. Follett was not a manager herself. But her ideas led many businessmen to seek her counsel on problems involving personal and group relationships. This excerpt from a 1933 lecture is reprinted from her book, *Freedom and Coordination*, Sir Isaac Pitman & Sons, Ltd., 1949.

Part 5:

VACATION SCHEDULING

By Ernest Schleusener

Here's how to be sure you're covered.

IN THEORY, AT LEAST, people look forward to vacations eagerly, as a welcome change from the demands of their work. But in practice, vacations can mean extra tensions when people must rush to get work done in advance and to get caught up afterwards; they may end up needing a rest from the effects of the vacation! For the supervisor, it can mean a lot of extra work just to keep the department running during the vacation period.

What's more, any interruption—whether it's a vacation, a short holiday, or a department shutdown—can be extremely costly. Normally, overhead continues even if output doesn't.

Is there any way you can minimize these costs, and make sure that a vacation really is a vacation, for your employees and yourself? As a matter of fact, there are several ways, and all of them boil down to one solution: planning.

With the right kind of planning, you can avoid the "unavoidable" interruptions to your department's smooth operation. Better still, planning for vacations can help you build a tight, flexible organization that can roll with the punches in any emergency, whether it's a vacation, illness, or a rush job.

How, then, do you go about planning for vacations?

Set up a schedule

You begin by setting up a schedule. If vacations may be taken at any time, the schedule should cover

the entire year. If they must be taken at a certain time of year (in most companies, it's the summer), your schedule would cover just that season. List each employee, the amount of time he's entitled to, and the dates he prefers for his vacation. Then compare this with your production schedule for that period.

At this point, you can determine which work must continue without interruption, and which can stand some delay. If you want to keep costs down, remember that it is usually more important to maintain the income-producing operations than those that will not affect income if they're put off. Your decision may depend on the effect your department's work has on other departments; therefore, you may have to discuss your plans with other supervisors. It is much easier to get cooperation on a plan when you have time for discussion—and when other departments aren't in the midst of jam-ups of their own—than to wait until the emergency arises and you have to get cooperation under pressure.

When you have determined which work would be continued and which delayed, you can set up a final schedule to present to your work group.

Tell at a glance

In this way, you can tell at a glance whether it's feasible for more than one employee to be away at the same time—and if there are times no one should be away from the department. If you should have to turn down a request for a particular time, it's a lot easier on the employee when he can see just why he's needed then, and why the interruption in output would be costly.

In fact, with this kind of schedule, employees can see for themselves how any planned absence will affect the department. They can schedule their own work better, and they can plan their vacations more conveniently.

The further in advance you make out your schedules, the easier it is on everyone in the department. You can make your departmental plans, and employees can make their vacation plans well in advance, which gives them a lot more leeway. If you wait until the last minute to make out your schedules, employees may miss out on their plans; they may even lose their deposits on vacation accommodations.

Some solutions

Once you've decided who goes on vacation when, you can make specific plans for covering the work of the people who are away. If you can delay the job until the man gets back, of course, there's no problem—but that's often impossible. In many operations, the best solution is to try to get some of the work done beforehand, during slack periods. It may even be economical to put on extra shifts before or after

Department _____

Date _____

JOB-COV

Employee	Job	Duties	A
Samples:			
Curt Davis #14-071	Warehouse Billing Clerks	A. Writes warehouse orders. B. Schedules trucks. C. Prepares bills of lading.	A. Lil B. C. (w
Lillian Fry #14-087	Warehouse typist	A. Types all orders, bills, schedules, etc. B. Files.	A. L B. Ja (P fr

Prepared by _____

GE CHART

te	Alternate #2	Alternate #3	Alternate #4
Fry Cotton nurse, men)	A. Linda Kline B. C. Paul Aheimer (Supervisor)	A. B. C. Malcolm East (Former clerk — now in Traffic Dept.)	—
Kline Mullin time ales)	A. B. Jane Mullin (Part time — let part of filing go)	A. B. Carol Day (Full time from Traffic Dept.)	A. B. Mrs. J. Lewis (Retired — worked in Dept. in 1958)

Approved by _____

the vacation or holiday, to get the work done. (See *Analyze Your Overtime,* Part 2 of the Cost Reduction series, in SM, February, 1960.)

But in most departments, the best solution is to have alternates for every job you supervise—including your own.

Your substitute team

The alternate doesn't have to be able to do the entire job. In fact, it's often better, if possible, to spread the work of the absent employee among several people, so that each substitute can continue doing his own job.

Naturally, in selecting alternates, you should begin with people in your own department. But if you reach a point where you can't use people in your own group, you may be able to choose people from other departments. In that case, of course, you would have to check with other supervisors, to find people who are free to help you out and are familiar with the requirements of the fill-in job.

Often, you can choose, as third or fourth alternates, people who have retired or have stopped working. They might welcome the chance for a few days' work occasionally. They would be especially helpful if they had worked in your department and knew your operation.

Another possibility for a third or fourth alternate is yourself—if company policy and the union contract permit. Certainly, you know all the jobs in your department. And you might find that absorbing part of a worker's job occasionally can be an enlightening experience.

In a rather unusual instance, the president of a large, successful chemical company in the South went even further and temporarily took over the job of a division manager. Not only did he gain a better understanding of the workings of the division—he thoroughly enjoyed the experience!

The Job-Coverage Chart

The Job-Coverage Chart on pages 32 and 33 is a useful and simplified method of keeping track of your plans for alternates.

In setting up these tables, enlist the help of your entire group. Employees may have valuable suggestions for coping with vacation problems; they may be able to suggest people who might act as alternates.

In the process of choosing alternates, you may find that not enough people in your department are familiar with the work of others. If this is the case, try job rotation or training before any work interruptions occur.

In fact, this may turn out to be as important a benefit of your planning as covering a short-staffed department. Chances are, you will find that job rotation boosts the morale of people in routine jobs. Furthermore, your vacation planning may give you an opportunity for needed training. And you may well discov-

er abilities that you hadn't suspected in some of your subordinates. Certainly, job rotation improves everyone's abilities. In any event, a department whose members can take over for each other is a department

Vacation Problems?
Have You Tried . . .

—Getting work done in advance, during slack periods?
—Delaying the work?
—Extra shifts before or after the vacation?
—Alternates from your own department?
—People from other departments?
—People who are retired, but could use a few days' work?
—Absorbing part of the work yourself—if permissible?

that can weather most emergencies. The principles of delegation, after all, apply to line workers as well as to upper management.

Choosing your own alternate should be no problem at all. You should have an assistant or an understudy—and this is his biggest opportunity to prove his mettle, since, when you're gone, he'll be functioning on his own. How well he handles the job will depend on how well you've chosen and trained him.

Occasionally, you may run into an employee who objects to the idea of teaching his work to someone else. But if you explain to him that this is no threat to his job—that, in fact, delegation may eventually enable him to move up—he should be more receptive to the plan. And he may be more willing to accept it if several people are learning parts of his job.

After you have formulated your plans, selected alternates, and worked out your vacation schedules, go over them with your boss. His perspective may suggest ideas you would not have thought of alone.

How about a shutdown?

People often ask if it is better to shut down a department completely, and get all the vacations out of the way at once, rather than operate on a crippled schedule. The answer varies from company to company, and often from department to department. It certainly would not be feasible, for instance, to shut down an entire hospital—or a steel mill that must keep its furnaces hot. On the other hand, shutting down for two weeks may be just the solution you're looking for if it costs much more to operate on a partial schedule, or if, as in some seasonal industries, orders from customers fall off for a short period. If you want to schedule a shutdown, of course, be sure to get higher-management approval.

Maintenance shutdowns

Often, a planned shutdown is necessary for a major maintenance

job. In that case, employees are usually asked to take their vacations during the shutdown.

Sometimes, you have the choice of getting certain maintenance work done during normal operations or accumulating it for a shutdown period. You will have to weigh the decision carefully, to decide which is more economical in your situation.

Vacation shutdowns

A two-week shutdown for vacations may, as a matter of fact, mean real savings—if you have a good plan. If you want to have the department painted, or to try a more efficient layout, this is the time to do it, without the delays and interruptions it would cause during normal working days. Sometimes, it's simply more economical to shut down all at once than to try to work with a reduced staff—and reduced efficiency.

Certain work may have to continue despite the shutdown. Customers may need goods or services, for example. If so, plan for the most economical method of fulfilling the need. If you keep a skeleton crew on during the shutdown, be sure to have enough work lined up to keep them busy. To do this, you may be able to let some work build up before the shutdown.

Who should stay?

How do you decide who should stay? It's important to be as fair as possible. In some companies, seniority customarily gives an employee first choice of vacation time (and of staying during a shutdown). Feel out the group early; this may make the choice for you. You may find that some people would prefer their vacations at some other time, or would like to accumulate time for a longer vacation the following year (if company policy permits).

Since vacation-time allowances often increase with seniority, some employees will have vacation coming to them beyond the shutdown time. Obviously, you can't cripple your department by having too many people out the week or two immediately before and after the shutdown. Instead, ask some of your senior workers to split their vacations, and take part of their time off earlier or later in the year. If you give advance notice, you will probably find enough people who prefer splitting their vacations to solve the problem.

Other employees may not have enough time coming to them to be paid for the entire period of the shutdown. Be sure to explain the company's vacation policy to them well in advance, so that they'll know what to expect. And you may be able to help some of these people out by assigning them to the skeleton crew.

Whatever you do, your plans should be practical, flexible, just—and according to company policy and the union contract, if one exists.

As soon as the vacation or other interruption period is over, review

KEEP TRACK OF VACATION PLANS

Start with—

a **Vacation Schedule**—

listing: each employee
the amount of time he's entitled to
the dates he prefers for vacation.

Compare this with—

your **Production Schedule**—

to see if:
you can spare the employee
the work can be delayed
the work can be done beforehand.

Then make out—

a **Job-Coverage Chart**—

(see pages 32-33)

the way your plans turned out, to see if you can make any improvements for the next vacation period.

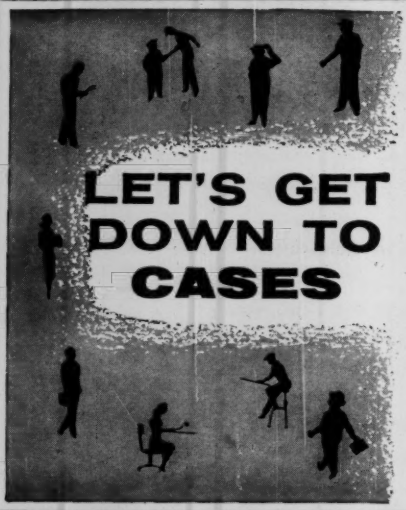
"Fringe benefits"

You'll find that making plans well in advance helps for the short holidays as well—and your work group will appreciate it. Last year a large Connecticut firm gave all its employees the day after Thanksgiving off. The shutdown was announced three days before Thanksgiving. Top management assumed that everyone was happy with the decision. But one of the guards said he heard comments all through the company to the effect that "it was a nice gesture to let us off on Friday after Thanksgiving, but it was too late for us to make any plans." A long weekend might make an ideal time to visit the folks back home, but it takes time to plan.

Good vacation planning has many benefits that extend beyond the vacation period. Through job rotation, employees learn more about other jobs and about the overall workings of the department; they may also get extra training. Shutdown periods especially can be an excellent opportunity for training those who stay on as a skeleton crew.

Your department becomes more flexible; it's ready to meet any emergency. You discover more about people's abilities and about the strengths and weaknesses of your department's functioning. You get the opportunity to test—and sharpen—your own delegation.

Above all, you accomplish your main purpose, which is to keep your department running smoothly all year round, and to cut costs by avoiding expensive interruptions. ♦



Every month, SM presents true stories of tough situations supervisors have faced.

How would you solve these problems? Your answers and the steps you take in arriving at them can be of the utmost value to you.

As you consider each case, you might jot down your questions, your reasoning, your decisions.

Or, discuss the cases with a group of people—fellow supervisors, family, friends. You'll find that each person has his own way of looking at the problem.

His Brother's Keeper

BOB CASS is a great man for planning. Ever since he was promoted to supervisor six months ago, he's tried to stay on top of his job by having everything figured out ahead. Bob's department assembles locomotive bearings—and Bob knows weeks in advance what job his men will be working on and how he will organize the job. Even if there's an absence or a change in orders, Bob can always come through with an alternative plan. He aims to deliver every job on schedule—but he's working under difficulties.

The main problem is parts. Jerry Sackett, the supervisor of the grinding department, doesn't seem to be a planner. He sends the bearings through irregularly. Sometimes Bob's floor space is jammed with stock he won't need for weeks; at other times, barely enough comes through to keep his men working.

So far, Bob has made no complaint to the production superintendent, who is his and Jerry's boss. He's brought the trouble directly to Jerry. The two men are friends—at least they used to be friends before Bob became a supervisor—and Jerry acts extremely sympathetic when Bob tells him how much his work is disrupted. But the bearings continue to come through on the same zigzag schedule.

No job has actually been held up yet for lack of stock, but there have been several close calls. When Bob

complains, Jerry offers several excuses—for example:

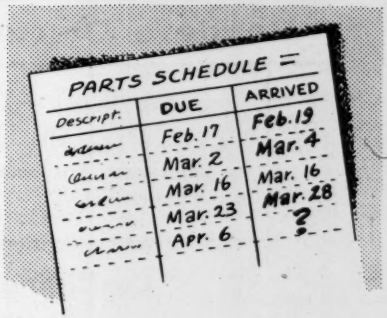
"A machine broke down—and I couldn't get it repaired."

"Why work ahead? They'll only change the specs on you."

"This steel we get now is harder to work."

"So you sweat to get the order out on time! Just walk by the shipping department, and you'll see it still sitting around a week later."

It's now Friday morning. There's a rush order to fill by closing time,



and Bob hasn't got enough bearings in his department to fill the order, or even to keep working till noon.

Consider these questions—and ask your own:

1. If you were Bob, what would you do right now? _____

   _____

2. How would you go about solving the over-all problem? (Consider the results of each action.)

   _____ Complain to the production superintendent?

   _____ Bring Jerry in on your own production plan?

   _____ Offer to help Jerry figure out his production schedules?

   _____ Suggest that Jerry take a course in planning?

   _____ Try to have a frank talk with Jerry?

   Or how would you solve this problem? _____

   _____

3. Do you think Bob has had any share in creating the present crisis? Why? _____

   _____

4. How far should Bob go in helping Jerry straighten out his problems? At what point should he appeal to higher authority? _____

   _____

Readers Discuss SM Cases

Here are readers' discussions of previous cases.

A copy of *Leadership on the Job*, AMA's handbook for supervisors, has been awarded to each of this month's contributors.

Conflicting Personalities

(March, page 41)

Case synopsis:

The fireworks started when Pete, the machine-shop foreman, stopped casually to chat with Jim, a machinist newly transferred into his department. Pete made some friendly remarks that appeared to fall flat, then started to walk away, when Jim called him back with a number of suggestions for improving work methods in the department.

Later, Pete overheard Jim sounding off in the locker room to two other men that "Nobody thinks around here," and that "they" won't listen to suggestions. He told Jim to see him in his office later.

In this interview, Pete told Jim he would welcome suggestions, but one thing he wouldn't stand for was "complaining to the other men about the way I run things." Jim countered that Pete didn't want any ideas but his own. He suggested that Pete have him transferred back to his old department.

But when Pete told his story to Bill, the personnel man, Bill, said that for various good reasons he could not send Jim back; he suggested that Pete himself work out this problem.

Was Jim insecure?

TO THE EDITOR:

No mention was made whether Jim was told the reason for his transfer. If he wasn't told, then Jim was certainly resentful toward management because he didn't feel secure in his job. This is reflected in his suggestions the first day; he wants his new supervisor to know that he has ideas, and therefore is an asset to the company.

Pete, on the other hand, should have been a good listener and encouraged Jim's suggestions.

When Pete overheard Jim sounding off, he should have ignored what he heard—especially since his

sounding off in front of other subordinates would only cause resentment. Pete should have cooled off, and then, later in the day, called Jim, into his office and let *him* talk.

At this point, Pete will have to do what he should have done in the beginning: Let Jim feel he belongs to the organization, tell him his ideas are appreciated and that he (Pete) will look into each one. There isn't any sense in scolding Jim for talking to the boys; this can be stopped only when Pete has Jim's loyalty.

This problem is the result of poor communications, and of a supervisor who is too busy and too impatient to solve a problem by listening to his subordinates' suggestions.

—W. T. CASTAGNE
Supervisor, General Business Office
St. Vincent's Hospital
New York, New York

Off on the wrong foot

TO THE EDITOR:

I think Pete made a great mistake in allowing himself to get into a controversy with Jim within a few hours after he started to work. A new employee tends to be a little nervous and apprehensive of the job. Jim was transferred from another department and may well have been disturbed because of the transfer. There is no evidence that he desired it.

Pete's approach, "It's a lot different from running a press over in stamping, isn't it?" was not a particularly good opening. No doubt he just said it casually, as a means of opening the conversation and getting acquainted with Jim. Naturally, to Jim the actual work of running a press in one department wasn't much different from running it in another department. I think the an-

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Send in your solutions to SM's cases—or send your most interesting case—for publication in SUPERVISORY MANAGEMENT.

The editors of SM will award the author of each case or solution accepted for publication a copy of Leadership on the Job: Guides to Good Supervision, the American Management Association's handbook for supervisors.

Send your contribution to Let's Get Down To Cases, SUPERVISORY MANAGEMENT, *American Management Association, 1515 Broadway, New York 36, N. Y.*

Letters on this month's case should be postmarked no later than May 30.

tagonism was caused by Pete's opening remark and by the fact that Jim was probably disturbed at the transfer.

Furthermore, although it may seem a small point, just before lunch was probably not an ideal time for this conversation.

The antagonism developed further when Pete gave Jim the impression that he wasn't too interested in Jim's suggestions. From Pete's words, "We've been satisfied with the way things are," I am inclined to think that he does not take kindly to changes of any kind, particularly if they aren't his own ideas.

Jim's suggestions—whether they were good or not—should have merited a little more attention.

I doubt the wisdom of Pete's ordering Jim into his office.

Pete is probably not too diplomatic nor astute with people. I don't think Jim was trying to "ride" him. He was probably not the easiest employee in the world to get along with, but I don't think he was a troublemaker. Treated properly, he would be a good worker.

Probably Pete should have handled the whole situation by approaching Jim with words something like: "How are you getting along? Is your press running all right? If it needs any servicing, let me know." Such an approach would have opened up a friendly conversation and established the beginning of a good relationship.

—BRUCE H. FLEMING
Ottawa, Canada

Foremen are human, too

TO THE EDITOR:

I think Pete was absolutely entitled to blow his top. Sure, he should have recognized that Jim might have been nervous about the new job, or upset about the change. But supervisors are human too, and when a smart aleck like Jim moves in and starts telling you how to run your department the first day he gets there, how much of a saint can you be?

Pete seemed to welcome Jim genuinely; and he started out being receptive to Jim's suggestions. But Jim went too far. And when he sounded off to the guys in the locker room, maybe disrupting what was probably a smooth-running department, that was just the last straw.

In the office, Pete did try to compliment Jim's good work, and he explained that it was Jim's manner of presenting his ideas—not the ideas themselves—that he minded.

Pete now has to accept the personnel man's reply that he has to keep Jim on. From here on in, I think he should make it clear to Jim who's boss. That doesn't mean he should take it out on Jim; he should be fair—but he certainly should be firm.

A supervisor should do everything he can to try to understand his men; but once in a while, employees ought to try to understand their supervisor!

—RICHARD MANNING
New York, New York

Will your dream house pass inspection?

By Peter C. Reid

Once you've narrowed down your choices, here's how to be sure you get "the house for you."

WHEN THE DALTONS BOUGHT their house in the suburbs, they were sure they had made a sound choice. For a reasonable price, they had bought a fine house in perfect condition—they thought. Six months later they learned how wrong they were. With the first cold snap of autumn, they found that it was impossible to heat some of the rooms.

Because they had originally inspected the house in warm May weather, it hadn't occurred to them to check up on the efficiency of the heating system. Their oversight cost them hundreds of dollars they were not prepared to spend.

How can you avoid this kind of costly mistake when you buy a house? Last month, we laid out some guide lines for choosing a neighborhood and a house of the right size and type for your family. Now let's take a look at how you can evaluate a specific house that you're seriously considering. By making a thorough, step-by-step inspection and bringing in expert help if necessary, you can make fairly

certain that your dream house won't turn into a nightmare.

A look at the lot

First, you should take a close look at the lot.

A survey of house buyers, conducted by the University of Michigan's Survey Research Center, showed that three out of ten owners were unhappy about the size of their lots. Many wished their lots were wider, offering more elbow room between houses. This can be a source of dissatisfaction that escapes your attention until you have actually moved in—unless you make a point of looking for it.

According to the Southwest Research Institute, which has spent years studying housing problems, a desirable lot should have 75 feet of frontage or more. If this is not possible, 50 feet of frontage should be considered a practical minimum, unless the land cost is prohibitive.

If you have been living in a city apartment, think ahead when you're deciding how much ground you want. You and your family may develop a taste for outdoor living after you've moved in—you may want to start a garden, for example—and when that happens the lot you thought was big enough may begin to look about the size of a postage stamp.

The way the house is placed on the lot is important, too. It should be set back from the street far enough to insure privacy. If there is a picture window, it should look out on something more attractive than someone else's picture window.

The ground should slope down, away from the house, so that water will be carried away from the foundations. If possible, check the lot after a heavy rain to see whether it drains properly.

You'll want a good healthy lawn, and shrubs that are planted to give the most possible privacy. Check the width of the driveway—it should be at least eight feet. Be wary of an unusually steep driveway, since it's likely to cause trouble when it's slippery.

Stand back and look

Before you go into the house, stand back and get an over-all impression of its appearance. Though the style is a matter of personal taste, a house should have certain qualities of good design: pleasing proportions, lines that create a unified whole. One that's poorly designed gives the impression of being patched together from odd parts.

A carefully designed house sits snug to the ground. On a flat lot, the first floor should be no more than 24 inches above ground level. A high-perched house requires many steps—always an accident hazard—and has an ungainly look.

Go on in

When you're inspecting the interior of the house, work from the general to the specific. Look first at

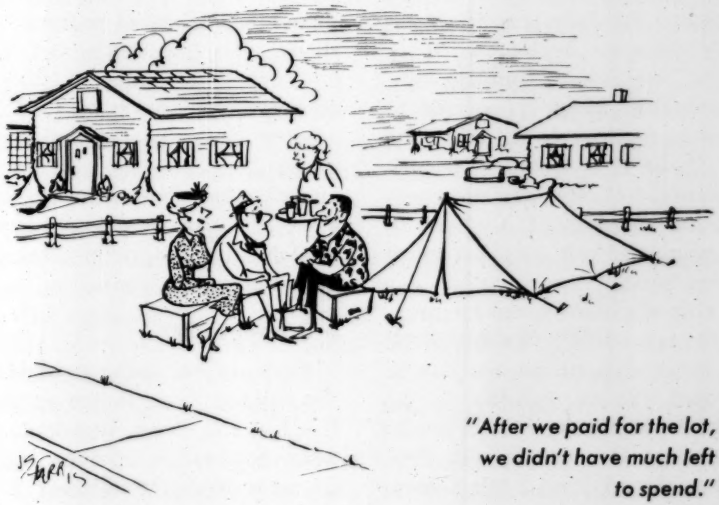
the over-all layout of the house. Your key criteria here are space, privacy, and efficiency.

Bedrooms should be isolated from the living area. You shouldn't have to walk through the living room to get from the kitchen to the bedrooms or the bathroom. Preferably, the front entrance should open on a hall, not directly into the living room. And the bathroom should be convenient to all areas of the house.

Don't forget family hobbies—you should have space to set up the facilities you need. For example, you may want to set up a darkroom or a workshop in the basement.

Dining facilities deserve careful thought. The house you're looking at may have a separate dining room or a combined living-dining area. It may also have an informal eating place in the kitchen, which can be a great help to the busy mother who has to cook, serve, and oversee three meals a day. The Michigan survey showed that the home buyers most satisfied with their dining facilities had two places in which to eat—one informal and the other suitable for entertaining.

Now look at the rooms individually. They should be large enough for your needs, of course, but the way they're designed is just as important. Check door and window locations to make sure they don't break up the wall space so badly that you can't arrange your furniture as you wish. Windows should provide plenty of light and air, and bedrooms should have good cross-ventilation.



"After we paid for the lot, we didn't have much left to spend."

What about the kitchen?

It's a safe bet that your wife will give the kitchen a thorough examination without too much urging. She should make sure it is large enough to meet family demands, that it has ample storage space, and that counters and equipment are arranged for efficient use.

Here's the Southwest Research Institute's guide for determining if there is enough base-cabinet space: Measure the total length of the kitchen base cabinets (including undersink cabinet and storage part of range); over 11 feet is good; under 8 feet 6 inches is poor. The institute also recommends counters at least a foot and a half long on each side of the sink, on at least one side of the range, and by the opening side of the refrigerator.

The institute suggests this method of checking whether the kitchen equipment has been arranged efficiently: Measure the kitchen "work triangle," which goes from the center of the sink to the refrigerator to the range and back again to the sink. If the total length of the triangle is 12 feet or under, the kitchen is too cramped; if it's over 20 feet, your wife will have too much walking to do.

A note of caution about kitchens: If the rest of the house is a sound buy, an inadequate kitchen can be improved. So be realistic in the amount of importance you assign to the kitchen. One couple with three children turned down a fine 8-room used house in favor of a new but cramped 5-room house costing $5,000 more, just because it had a dazzlingly up-to-date kitchen. For $1,000 they could have had an equally modern kitchen in the older house.

The bathroom

When you inspect the bathroom, make sure all equipment is in good working order and is conveniently arranged. Is there room for a hamper, or other storage facilities?

For safety's sake, notice the bathroom light switch. It should be placed so that you cannot reach it while you're standing in the bathtub—otherwise there is danger of a severe shock.

Storage space

As you move around the house, make an inventory of all types of storage space. Basic storage space should include ample bedroom closets (the Southwest Research Institute suggests 36 inches of width per person), additional space for linens, a guest closet near the front entrance, and a closet in or near the kitchen for household cleaning equipment. An area should also be available for long-term storage of large items like trunks and boxes.

Is it well built?

Let's assume you're satisfied with the way the house shapes up so far. If it's a new house, you don't have to worry about its condition, but you do want to know whether it has

THE COST OF KEEPING COOL

When you consider air conditioning for the house you're buying, you'll probably think in terms of individual room units. But don't dismiss the possibility of adding a central air-conditioning system for the whole interior. It may cost less than you think; equipment prices are about a third of what they were in 1947.

If you're buying a new house of conventional design with an average amount of insulation, you can figure that you will need about a ton of cooling capacity for every 600 square feet of space. According to a leading manufacturer of cooling equipment, the installed cost of air conditioning added to the heating system will vary within a range of $225 to $375 per ton.

In older houses, air conditioning is more costly to install. One survey indicates that costs have run from $400 to $500 per ton, even in a house that has a heating system adaptable for air conditioning. Where there has been no preparation, the cost would be greater, depending on how many ducts must be added or moved.

You can finance air conditioning either through your dealer-contractor or with a home-improvement loan from a local bank. With proper care, air-conditioning equipment should last 20-30 years.

been soundly constructed out of good materials. You can be reasonably certain that it has if:

1. The builder has a reputation for quality construction.
2. The architect is recognized for his well-designed houses.
3. The house was constructed in compliance with local building codes —provided that the codes include quality specifications and inspection of the house during construction.
4. The builder offers a warranty or guaranty against defects and faulty construction or materials.

The local or National Association of Home Builders can help with these points. You can also talk with people living in houses put up by the same builder and designed by the same architect. Most reputable builders will be glad to give you the names of people who live in houses they have built.

But what if the house you're interested in is older, and you can't find out the name of the builder? Can you—a nonexpert—tell whether it is a well-constructed house in sound condition or whether it has deteriorated with age?

How can you tell?

The answer is yes—with qualifications. If you know what to look for, you can discover a lot by yourself about a house's conditions. But other things will be beyond your

experience. When you have gone as far as you can on your own—if you're still interested in the house—you may want to call in an expert.

Outside the house

But first, see what you can find out for yourself. Start by taking a close look at the outside walls of the house. Wood siding or shingles should overlap evenly. If the walls are brick, check for crumbling mortar. Stucco walls should be made of two coats of cement on wire—not wood lath. Exterior paint should be free of blisters.

Inspect the roof if you can. Make sure there is flashing at the chimney and at connecting roofs—otherwise, water may leak through. If the roof is warped or shingles are loose or missing, you may be in for a costly repair job. A new roof can cost $1,000.

Check the floors

Inside the house, inspect the floors. One way of making sure they are level is to use a spirit level; another is to drop a marble while you stand in the middle of the room; if it rolls rapidly to one side, the floor is not level.

If the floors are wood, make sure that the joints are tight, and that there are no worm holes. Walk over all areas of the floors slowly. Noticeable give underfoot in some places means you've got a repair job on your hands eventually. Also, unless you're ready to take on the job yourself, see that the floors are properly sanded and finished.

Don't overlook kitchen and bathroom floors. Whatever material is used—linoleum, asphalt tile, or ceramic tile—should be properly fitted around the corners and fixtures. Cracked or chipped pieces will have to be replaced—otherwise, water will leak through and eventually undermine the whole area of flooring.

. . . and the walls

Walls should get a careful examination. There are two main types of inside-wall finishes: "dry wall" and "plastered wall." Dry wall may be of plywood, gypsum wallboard, or fiberboard, while plastered wall is constructed of lath and plaster. Both types are satisfactory if they're properly installed.

Walls can give you some helpful clues to the house's general condition. Cracks radiating from doors or windows or corners are a warning that the house has probably settled unevenly on its foundation. Another danger sign is peeling or bulging wallpaper near doorways on an outside wall—this means that the walls are probably susceptible to dampness. And watch out for rain-leakage stains on upstairs ceilings and walls.

Up and down

If the house has a basement, inspect it thoroughly—it can reveal serious troubles. Check the walls for

severe cracks, bulges, dampness, and signs of flooding. Make sure the concrete floor has a sound surface. If a drain is provided, the floor should slant gently toward it.

Are the basement beams free of rot, termites, and carpenter ants? If they are, you should not be able to sink a strong knife or ice pick more than an inch or two into the wood.

The attic—if there is one—should not be ignored either. Good ventilation in the attic is a must, particularly if the ceiling below the attic is insulated. Excessive condensation from lack of ventilation can cause rapid deterioration of the roof, walls, or ceiling.

Is wiring adequate?

An important question if you're looking at an older house is: Will you have enough electric current for all the appliances you use? There's no convenience in using an electric broiler, for instance, if a fuse blows just as your steak begins to sizzle. And the house you're looking at may have been built before the existence of electric broilers, television sets, electric coffeepots, and many other modern appliances.

If you plan to use a normal number of modern appliances, you should have three wires coming into your fuse box with at least a 100-ampere capacity. You also need enough of the right kinds of branch circuits to distribute the power. There are three types of circuits:

1. *General-purpose circuits,* which serve lights and outlets everywhere except in the kitchen, laundry, and dining areas. There should be at least one of these circuits for each 500 square feet of floor area. They should be of number-12 wire with 20-amp. fuses, allowing a top load of 2,400 watts.

2. *Small-appliance circuits,* which serve outlets, but not lights in the kitchen, laundry, and dining areas, where portable appliances are most commonly used. There should be at least two of these circuits, of the same capacity as general-purpose loops.

3. *Individual circuits,* which service major appliances, like clothes drier, range, heating plant, air conditioner. There should be one circuit for each installation, enough for the requirements of the particular appliance.

Besides checking the amount of current, make sure there are enough electric outlets, placed where you will need them. There should be at least one outlet for every 12 feet of wall in general living areas, one for each 20 feet in the dining room, and one at table height for each kitchen work area.

Plumbing

Plumbing is another item that calls for special attention when you're looking at an older house. In some older houses, the faucets may gasp when they should gush. To test

the water pressure, run the water simultaneously upstairs and downstairs. If the water comes out strong, the pressure is satisfactory. In bathrooms, flush toilets two or three times to make sure the drains don't stop up easily. Check each water-supply pipe to see that it has a shut-off valve near the outlet.

You'll also want to be sure you're going to get all the hot water you need. Check the capacity of the water heater: The minimum acceptable for a two-bedroom, one-bathroom house is 30 gallons, and for a house with three bedrooms and one and a half bathrooms, it's 40 gallons.

You may be doing your house hunting during the summer months, when your thoughts are on keeping cool rather than warm. But—like the unwary Daltons described earlier—you'll be asking for trouble if you don't check thoroughly the heating system of any house you're interested in.

Heating

Chances are, the house will be heated with one of two basic systems: forced hot water or forced warm air. In the first, a boiler heats the water and pipes convey it (by means of a circulating pump) to outlets in your rooms—radiators or convectors or slim, metal baseboards along the outside walls of the rooms. The baseboard units have a number of advantages: They are unobtrusive, they save wall space for furniture, and they allow you to carpet wall to wall if you wish. Chilled water can be circulated through some baseboard units for summertime cooling.

If You're Considering

BUYING A DEVELOPMENT HOUSE involves special problems. Most developers are honest. But because buying a house is complex, you may overlook some features, mistakenly expect to get others, or have an honest difference of opinion with the builder. Here's how to avoid costly pitfalls:

Don't let looks deceive you. In an existing house, you see what you're getting, but in a development you may have to buy on the basis of looking at the model house. Most model houses are expensively furnished by professional decorators. To make rooms seem larger, they use wall-to-wall carpeting, fewer chairs and tables than are needed, undersized furniture, and lots of mirrors. These are legitimate decorating tricks which you may want to use yourself. But don't let them fool you into thinking you're getting larger rooms than you really are.

Investigate the site thoroughly. Developers often put their model houses on attractive sites near main roads. But your own site may be off in the wilder-

a Development House . . . Here Are Some Tips

ness, on rocky ground, or on swampy soil. If your lot is attractively wooded, get the builder to agree—in writing—not to remove the trees you want. Make sure, before signing any contract, who will install and pay for streets, utility lines, sewers, and other necessary services. And don't forget about zoning; the developer may be building in an area where factories are permitted.

Make sure of costs. There may be a vast difference between the developer's advertised price and what you'll actually have to pay to get the house you want. That's because many items may not be included in the price. Some builders include land, streets, sewers, and closing costs; others list them as extras. Most model-home kitchens are completely equipped with refrigerator, range, dishwasher, and exhaust fan, but these may all be extra. Painting and papering may involve additional costs. Some builders give a choice of a few shades of paint and charge, say, $40 a room for any other color. One model home—selling for $12,000—was decorated with $6-a-roll wallpaper. But buyers got 60-cent paper; anything better cost more. Prepare to spend extra for landscaping. A builder may spend thousands on shrubs and lawns for the model home, but less than a hundred dollars for landscaping on the houses he sells.

Don't be fooled by a developer's advertisement promising low taxes. They may be low when you move in, but the influx of hundreds of families with children will mean more schools and higher taxes to pay for them.

Verify the advertised features of the house. One New Jersey developer advertised houses with expansion attics. When buyers tried to convert their attics into rooms later, the building inspector stopped them—the floor joists were strong enough for storage, but not for rooms.

Get legal help. To be on the safe side, hire a lawyer familiar with development housing before you sign anything. Tell him what you expect in the house, and let him settle arguments with the builder. He can help you get the kind of mortgage you want, and can also advise you on the details of the contract.

A clear, comprehensive contract is the best way to make sure you get all the advantages offered by modern development houses.

In the other major type of heating—forced warm air—a furnace warms the air, a blower fan forces it through metal ducts installed through the house, and grilles or registers distribute it to the rooms. Proper layout of the ducts and ample outlets are essential to this type of heating.

One of the biggest advantages of

heating by warm air is that the air can be filtered clean of dust and dirt before it is distributed through the house. Also, air conditioning can be added readily at a future date—providing the ducts are large enough. Replacing undersize ducts with big ones can be expensive if it's done later.

If you do have a chance to check the heating system in action, make sure it maintains even temperatures in all rooms. Keep your ear cocked for noise being made by the furnace machinery, by the combustion process, or by the circulation equipment. Any noise should not be obtrusive enough to be disturbing. No dirt or dust should come from the circulation outlets.

Call in an expert

Let's assume you've gone over a house thoroughly and discovered as much as you can about its condition. You think it might be a very good buy, but you still have lingering doubts about its condition.

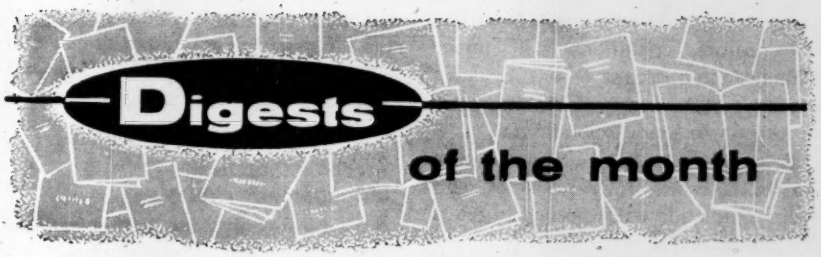
If you have such doubts (and you probably will if it's an older house), a smart move would be to call in an independent appraiser. He may save you from making a serious mistake, by discovering faults that only an expert can detect. Remember that many of a house's important structural features are hidden. And such apparatus as heating systems, plumbing systems, and electric wiring should get professional appraisal anyway—particularly for an older house. An added attraction is that the appraiser will give you his estimate of what the house is worth in the present market.

Finding a qualified appraiser is not difficult. Various associations and societies of appraisers provide names of their members in most areas. Often you can ask a local bank for the name of a reputable expert. To get complete impartiality, hire someone unconnected with the real-estate agency handling the house. Before you hire an appraiser, try to find out if he has had long experience in real estate, is diligent in carrying out assignments, and is known for his sound judgment.

Appraisers' fees vary: You can expect to pay between $30 and $100, depending on how thorough an investigation you want. It will be a small price to pay for the assurance that you are making a wise decision.

No house will have everything you want, of course—a reasonable compromise is the best you can hope to achieve. But you can be sure of buying a house that will give you and your family satisfaction for many years, if you let your house hunting be guided by these four principles:

1. *Know what kind of a house you want and need.*
2. *Know what to look for when you inspect a house or a neighborhood.*
3. *Get expert advice when you need it.*
4. *Take your time.* ◆



What Is A Manager?

THERE IS NO ONE WAY to describe good managers. They have all kinds of personalities, backgrounds, qualities. But one thing they have in common is the work they do: the essential job of creating the teamwork between management and employees.

How does a manager manage? His job consists of four distinct functions: leading, planning, organizing, and controlling.

The skills of leadership

Leading is the work a manager does to cause others to take action. But he cannot do it solely through his authority, or his personality, or even simply by *being* the kind of person whom others follow. He must lead by *doing:* by systematically practicing the skills through which work gets done.

Here are the six skills of leadership:

1. *Initiating*—making sure that everything that has to be done gets started.

2. *Decision making*—arriving at conclusions and judgments via a logical analysis of alternatives. The manager makes as few decisions as possible for individual subordinates, but he makes most final decisions for his whole group.

3. *Communicating*—getting others to understand what he has in mind and, in turn, understanding his subordinates. Unless he does both, what actually gets done is likely to bear little resemblance to what was meant to be done. With communication goes participation: making sure that all members of the team have an opportunity to share in the decisions that affect them.

4. *Motivating*—establishing the conditions that stimulate and spur people on. This is probably the most complex and the most important leadership skill.

5. *Selecting people*—choosing people who are not only qualified for the job, but who will most likely be compatible with the other members of the team.

6. *Developing people*—improving subordinates' present performance and developing their latent skills and abilities. This is accomplished by appraising, counseling, and coaching.

Planning

Before moving his people to action, a manager must think through what that action should be, how and when it is to be carried out, and what is needed to accomplish it. This is management planning.

To be complete, it should include:

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Forecasting—determining how probable future conditions will affect planned activities.

Setting objectives—establishing goals or targets to guide operations.

Programing and scheduling—lining up the activities, their priorities, and their completion dates needed to reach the objectives.

Setting procedures—standardizing the methods by which the work must be done.

Budgeting—allocating resources—money, materials, manpower, and facilities—to carry out the programs effectively and economically.

Organizing

Organization includes developing a sound structure for getting the work done (grouping it so that all related work can be done by one unit that has the necessary responsibility); delegating the department's responsibility and authority; and establishing relationships among subordinates and between a manager's own group and other groups.

Management controls

To be sure that the work under his supervision gets done—without his having to inspect each piece turned out by each subordinate—the manager has to develop controls. He does this through *establishing standards, measuring performance* (with the help of reports and records), *evaluating* (comparing actual performance against the standards), and *taking corrective action* to bring any exceptions back into line.

● *Louis A. Allen*
PERSONNEL
January-February, 1960

"I couldn't sleep."

SM WINS SAFETY AWARD

SUPERVISORY MANAGEMENT takes pride in announcing that it has been awarded the National Safety Council's Public Interest Award for 1959—the second year in a row that it has received this award.

For your convenience, here is a list of the major articles on safety that appeared in SM in 1959:

For Women Workers—Safety Training with a Difference—February
Invest in Safety—June
Safety in Sports—July
Safety: Ten Basic Principles—August
See It Now . . . And Later—September
Employee Inventions Score for Safety—October
Children Don't *Have* to Have Accidents—November

Customs and Policies in Today's Office

TODAY, THE MALE OFFICE WORKER may wear a sport shirt to work in warm weather, enjoy two coffee breaks a day, and get a snack from a dispensing machine right in the building. A woman worker may keep working during pregnancy and while her children are preschool age, and she may even be paid for the time she has to stay home when her small children are ill.

These and other privileges of the modern office worker were reported in a recent survey of office customs conducted by the National Office Management Association. Here's what's being done in offices throughout the nation.

Snack time

About 80 per cent of the offices in the survey give official rest periods or coffee breaks. Many that don't, however, close their eyes if employees take an unauthorized coffee break.

Where do the office employees get their snacks? Over half the companies surveyed (58 per cent) provide dispensing or vending machines in the building. About 43 per cent have eating facilities or a portable snack bar. In 17 per cent of the companies, however, employees have to go off the premises for their snacks.

The right to smoke

One custom that has changed substantially in recent years concerns smoking privileges for women. More and more companies are giving women the same rights in this respect as men.

Three quarters of the companies surveyed, for example, permit both

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men and women to smoke in the office, without any restrictions. Another 20 per cent impose smoking restrictions—which apply to women four times as frequently as they do to men. Only 5 per cent of the companies prohibit smoking altogether.

How about mother?

Lately, more and more women have continued to work after marriage. Over 86 per cent of the surveyed companies hire women who have preschool children. For the most part, the records show that these women are not absent any more frequently than other office employees.

Almost half the companies will even pay sick leave when women are absent because their young children are ill. Only about 12 per cent do not hire women with preschool children.

Policy on pregnant employees tends to be liberal. In the NOMA survey, less than 3 per cent of the companies don't permit a pregnant employee to keep working. Less than half—44 per cent—have a set policy stating when she must stop. In most of these companies, she may keep working five to six months.

After pregnancy, she may return to work (in 68 per cent of the companies), provided the time between the end of pregnancy and the return to work complies with state law or company policy. However, many of the companies will rehire her in her former job only if it's vacant when she wants to come back; others treat the returning employee as a new one.

Office fashions

When it comes to dressing for the office, there are no rules or restrictions in 89 per cent of the companies. The majority of this group, however, expect their employees to show good taste in their office clothes.

In most of the companies, the men may remove their coats at any time; some permit it only during warm weather.

Pass the plate

Apparently, companies don't object too much to workers' soliciting funds from each other for charity organizations. Four out of five companies permit it; the rest restrict collections.

There's more opposition, however, to special collections, like getting financial aid for employees, selling chance books, or running pools on sports events. Three companies out of five prohibit soliciting money to help employees.

Just over half of the companies prohibit selling chance books or pool tickets. But, they say, this restriction is largely ignored by employees, especially at World Series time.

Picnic time

About 53 per cent of the companies that have an employee picnic pay the full cost of it; 27 per cent share the expenses with employees; and in 20 per cent, employees bear the cost.

More liberal customs

While the NOMA survey on office customs doesn't reveal any startlingly new trends, it does show that today's office customs are far more liberal—and are being enjoyed by a much larger share of office employees—than 10 and 20 years ago.

• *Charles E. Ginder*
OFFICE EXECUTIVE
February, 1960

Facts About Occupational Dermatitis

THE QUALITY AND QUANTITY of production are in your workmen's hands. When a pair of skilled hands can no longer do their work efficiently, industry loses man-hours and production. And when hands are disabled by dermatitis, the worker loses, in working time and in suffering.

What is dermatitis? Dermatitis is an inflammation of the skin, often resulting from contact with irritating substances. Contact dermatitis most often affects the hands, since they, more than any other region of the skin, are exposed to industrial irritants like chemicals and cleansers.

The skin, however, is not entirely defenseless. It has some degree of built-in protection.

The skin's cells and secretions are part of that protection. The cells of the tough outer layer of skin can withstand the action of moderately strong acids. Perspiration dilutes water-soluble agents, and makes them less irritating. And the skin's fatty (sebaceous) secretions form a protective coating. Thick, oily skin is more resistant than dry skin to the action of fat solvents like soap, turpentine, benzol, trichloroethylene, and carbon tetrachloride.

In addition, the pigment of the skin protects against light—which, as in the case of a bad sunburn, can be just as dangerous as some chemicals to the skin.

Warning signs for dermatitis

The first signs of dermatitis are usually itching, burning, and a slight reddening of the skin. If the irritation continues, blisters and swellings may form.

When the first signs appear, the employee should be given work, if possible, elsewhere in the plant where he will not be in contact with the irritating substance. Early discovery and early treatment are essential, and will help prevent serious disability. A neglected skin disease of the hands may result in unnecessary discomfort and even absence from work.

Protective ointments

The most common way of preventing skin hazards to the hands is to wear gloves on the job wherever possible. When unusual problems rule out gloves, protective ointments, or "barrier creams," may be applied directly to the hands.

These creams fall into three main classes:

Vanishing cream: This fills the pores with soap and prevents irritants from entering the skin. After work, the cream remaining in the pores washes away with soap and water, taking with it any dirt or irritants that may have been deposited.

Water-repellent creams: These creams leave a thin film of a water-repellent substance on the skin, which keeps water-soluble irritants like acids and alkalis from direct contact with the skin.

Oil- and solvent-repellent creams: These creams repel irritants, solvents, and oils.

Other special ointments protect the skin against the action of certain photosensitizing chemicals. There are also insect-repellent creams, and antiflash creams to prevent flash burns from explosives.

Before a protective ointment is ap-

plied, the hands should be completely clean. Otherwise, injurious chemicals may be sealed onto the skin. Protective ointments should be applied several times a day, *after* the old ointment has been washed off.

Other preventives

To guard against dermatitis of the hands, employees should:

1. Keep the skin as clean as possible, with a mild soap and plenty of hot water. Avoid using solvents like gasoline, turpentine, strong alkalis, and abrasives for cleaning the hands. Wash hands thoroughly at noon and at the end of the work day.

2. Avoid unnecessary contact with irritating substances and solvents which remove natural oils from the skin.

3. Report any sign of skin disorder promptly to the supervisor and the medical department. Avoid self-treatment (only a physician can diagnose skin diseases properly and provide adequate treatment).

4. Get immediate first-aid treatment for any cut or break in the skin, no matter how slight.

5. Wear gloves when possible and clean them daily. Discard them when they become ineffective. Apply protective ointments exactly as instructed.

Workers' hands are the most important tools of industry. It is only common sense for management and employees to take every possible precaution to keep hands free from irritation, cuts, and disease.

• SAFETY MAINTENANCE
February, 1960

"You just volunteered to serve as fund-raising chairman for the Monmouth Ladies' Society annual dinner drive."

Will Automation Create Layoffs in the Office?

WHAT HAPPENS to office employees whose jobs are replaced by machines? Some light on this disputed subject is thrown by the findings of a recent National Office Management Association survey.*

Of the 369 companies with electronic data-processing and integrated data-processing systems who responded to the survey, 40 per cent skipped this particular question. Among the 219 who did answer it, however, it appeared that office automation had been effected with a minimum of dislocation.

Thus, 42 per cent said simply that no jobs had been replaced, which presumably means that their installations were being used for previously nonexistent purposes; 54 per cent reported that where data-processing machines had replaced clerical jobs, the employees concerned had been integrated either into other departments or into the data-processing department; only 2.7 per cent had had to lay off workers, and less than 1 per cent had transferred them to other locations.

In all, only 2,552 employees were involved in the loss, transfer, or integration of their jobs, and of these less than 1 per cent—19 employees, to be exact—were laid off.

This comforting picture is somewhat difficult to reconcile, however, with the fact that 24 per cent of the reporting companies listed "personnel" among the problems they had most frequently encountered in installing an EDP or IDP system. By this, of course, they may have been alluding to the difficulties of selection and training. On the whole, though, this particular response, coupled with the high proportion of companies who failed to report just what had become of the employees affected, suggests that office automation is not quite as painless as the survey's findings seem to indicate.

Possibly, however, the favorable experience reported follows from the nature of the sample. Presumably dislocation is most acute in big clerical operations, where large numbers of employees, all doing identical jobs, are involved. In smaller offices where comparatively few people are affected by the change, adjustments are easier to make. Most of the respondents to the NOMA survey seem to have fallen into this category—nearly half had only from 26 to 250 office employees, while less than 15 per cent employed over 1,000.

*C. E. Ginder, "Why Automation?" *Office Executive*, October, 1959.

A SECRETARY OUTPACES her boss by 0.2 miles a day, according to a recent study reported in *Industrial Relations News*. The average executive walks 3.7 miles a day; his Gal Friday, 3.9 miles.

Don't Wait for Trouble

EVERY COMPANY and every department faces the possibility of sudden trouble. It may be fire or a power failure or some other completely unexpected crisis.

You'll be better able to weather a crisis if you make "disaster" plans or if you consider how company emergency plans apply to your special department needs. Here are some steps that can make the difference between chaos and control:

1. Choose a coordinator

One person must be in complete and absolute charge. In most cases, you're the man. But it may be wise to appoint a second or even a third in command, and brief them on their responsibilities.

2. Make a survey of your department

Here's an emergency plan suggested by one safety expert. It goes beyond the needs of the average department, but it includes many ideas you should consider:

- ► Sound alarm, notify others.
- ► Direct workers to safety.
- ► Rescue trapped people.
- ► Give first aid.
- ► Shut off machinery, pipe lines, etc.
- ► Repair damaged water mains and utility lines.
- ► Fight fire.
- ► Maintain morale.
- ► Prevent panic; maintain order.
- ► Remove debris; clean up.
- ► Perform necessary welfare duties.
- ► Make emergency repairs so production can be resumed.

Certain hazards are special threats in some plants and departments. If your shop uses quantities of carbon tetrachloride, for example, the danger of poisonous fumes would require special attention.

3. Select and train people

In the course of surveying your department, you'll find out how many people you'll want on "special detail." Of course, you'll make your selection on the same basis that you do for any assignment—suitability of the individual to the task.

4. Make the plan known

You don't want to give your people the feeling that they're sitting on a powder keg. Begin by telling them that what you're doing is probably unnecessary. But by explaining the benefits of being prepared plus the steps to be followed, you'll have the group with you.

Company geography must be taken into consideration. If your department is close to others, you may want to compare notes or actually gear your plans to work with those of fellow supervisors.

• *Auren Uris*
TEXTILE WORLD
February, 1960

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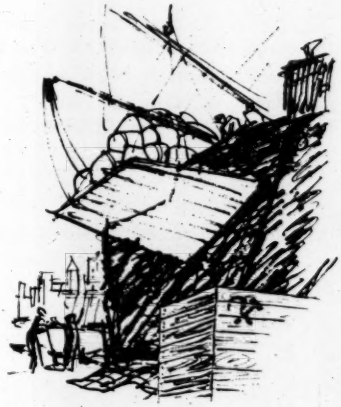
TO BE PREJUDICED is always to be weak.

—SAMUEL JOHNSON



The Soviet Economic Offensive

A SUBSTANTIAL ECONOMIC THREAT is facing United States business. It's coming from the Soviet Union—and it's growing rapidly. The Soviet Union has emerged as the world's second industrial power. Its gross national product is already 45 per cent of that of the United States, and the rate of growth is twice ours.

But the true picture of relative economic power is darker. Expenditures for Soviet defense programs, industrial-investment programs, research-and-development activities, and foreign economic-aid programs now total about the same, figured in dollars, as expenditures for similar programs in the United States. And because the Soviet economy is growing twice as fast as that of the U.S., the U.S.S.R. will be able to spend substantially more on such programs in the future than the U.S., if present trends continue. By 1965, the Soviets should have $20 to $30 billion more a year to spend than they have now to further expand their military and foreign economic programs.

Soviet industrial capacity

The Soviet Union uses about 90 per cent of its industrial investment to expand basic industry, and only about 10 per cent to expand the capacity of consumer production. As a result, its industrial capacity has expanded at a rate of about 9.5 per cent per year, as compared with 3.5 per cent for the United States.

Because Soviet consumer consumption has been held down (per capita, it's roughly 25 per cent of that of the United States), it can be expanded by about 5 per cent a year without en-

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This article is based on a report, *The Growth of Soviet Economic Power and Its Consequences for Canada and the United States,* by Franklin A. Lindsay, published under the auspices of the Canadian-American Committee, which is sponsored by the National Planning Association (U.S.A.) and Private Planning Association of Canada.

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dangering over-all industrial growth. The comparable figure for the United States and Canada is about 3 per cent a year.

In addition, Soviet production up to now has been used almost exclusively to build industry and a modern military system. The industrial base is now so large that Soviet management can, if it chooses, divert a substantial part of it abroad for political reasons without seriously interfering with further expansion. For example, in 1958, the Soviet Union produced four times the number of machine tools produced in the United States. Using as little as 5 per cent of this output for foreign aid would give the Soviets a large export strength, with little harm to its internal program.

They can name their price

Soviet foreign-trade managers can set export prices at any level, depending on their reasons. If they're exporting for political reasons, they can afford to lose profits to win friends. If they're exporting for economic reasons, they can simply adopt the Western price framework and undercut it slightly to sell what they want to dispose of.

Foreign aid

In the area of foreign aid, Soviet and satellite spending has fallen far short of comparable free-world efforts. Since the beginning of the U.S.S.R. economic program in 1955, the Soviets have committed about $2.4 billion in aid to 18 noncommunist underdeveloped countries. U.S. aid to the same countries amounted to $4.4 billion during the same period. But the threat can't be measured solely in terms of *current* spending. The Soviet Union can already boost its economic assistance substantially, and it will be able to increase it still further over the next few years.

Besides, the communist programs are usually highly selective, and they approach or exceed Western programs in specific countries. More than 90 per cent of the Soviet's total credits have gone to Yugoslavia, India, Afghanistan, Egypt, Syria, and Indonesia.

If Russia were to deploy her wheat and grains, lumber, pulp, and base metals in a serious attempt to become a leading world trader, the impact on free-world economics would be great.

Take steel, for example. The Soviet steel industry is highly efficient and is being expanded rapidly. Steel production has nearly doubled since 1951, and by 1965 it will probably increase by another 50 per cent over the 1958 capacity. If their target of 95-100 million tons is reached by 1965, the Soviets could have a powerful export weapon.

Geography, too, has given the Soviet Union a special edge in fighting the cold war. Its huge land mass lies across some of the most important intercontinental air routes. The Russians have secured landing rights in London, Paris, Copenhagen, New Delhi, and Kabul, and are pressing hard for rights in Japan and New York. At the same time, the Western powers have not yet been granted transit rights across the Soviet Union. Thus, the Russians, now producing modern jet-transport aircraft, can offer regular intercontinental services via Moscow that will be faster and cheaper than

those offered by Western lines.

The Soviets can also provide technical services—as good as any the West can supply—to smaller and less advanced nations, and the price and terms of assistance can be as favorable as necessary.

So far, the Soviet economic threat is more a potential than an actual danger. Yet the Soviet Union is rapidly reaching the stage where it will have very substantial assets to use, if it chooses, in displacing the Western nations in underdeveloped countries and in directly weakening Western trade.

• *Franklin A. Lindsay*
THE MANAGEMENT REVIEW
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Up the Lazy River

DO YOU FIND SOME of your men floating along from day to day with no interest in their work? Do they seem asleep at the switch? If so, *something* needs tightening up—but first you have to spot it. Here are symptoms of slacking off that you should be alert to:

1. *The production rut:* Some ups and downs can be expected in any job. But when employees turn in the same production, day in and day out, it could mean that they've established a "quota" for themselves—which may be below their capacity.

2. *Boredom and dissatisfaction:* When things become too routine, employees may get bored and disgruntled. Unless they can find something challenging in their jobs, they may spend time grumbling.

3. *Gossip:* In a busy shop, there's little time for rumors and gossip. When stories make the rounds, start looking around for soft spots.

4. *Horseplay:* In almost any shop, there may be one or two characters inclined toward horseplay. But if everyone is constantly engaged in it, look out. Horseplay and busy shops are rarely found together.

5. *Accidents:* The safest people are those who are alert and busy. When the job becomes a loaf, it becomes dangerous.

6. *Wasting time:* A soft spot in supervision might be indicated by visiting, constant trips back and forth to the snack machines or the washroom.

7. *Absenteeism:* A dull job has no challenge and can become distasteful. When an employee is on such a job, he's likely to stay away more than he would if he were interested.

8. *High quit rate:* If a job is too easy, an employee is likely to look for a challenging situation elsewhere.

9. *Lack of pride in the job:* Most people are proud of their work and their company. But an "I-don't-care" attitude is a sure sign that something's slipping.

—*Factory*, February, 1960

Credit Buyers Don't Go Hog Wild

DO PEOPLE WHO USE CREDIT tend to spend more than those who pay cash? The answer is no—at least in the purchase of three major groups of items—household appliances, home improvements, and cars—according to Professor James N. Morgan, of the University of Michigan Economics Department. Professor Morgan's conclusions are based on interviews with 16,000 consumers conducted by the university's Research Center.

Most consumers spend between 8 and 10 per cent of their income for these items, Morgan reports, whether they buy on credit or pay cash. This proportion is remarkably stable for families with incomes ranging between $1,000 and $7,000.

The interviews also revealed that home ownership and family status play a large role. For instance, young childless married couples who own their homes spend 23 per cent of their income for these items, in contrast to elderly couples living by themselves in rented quarters, who spend only 7 per cent for this purpose.

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